

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH DAKOTA**

In Re: VEBLEN EAST DAIRY LIMITED PARTNERSHIP, TAX ID/EIN: 20-8870979, Debtor.	Case No. 10-10146 Chapter 11 UNITED STATES TRUSTEE'S OBJECTION TO APPLICATION FOR EMPLOYMENT OF ATTORNEY
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The United States Trustee hereby objects to the Application for Employment of Attorney seeking to appoint Thomas M. Tobin of Tonner, Tobin and King, as local counsel for the above-captioned Debtor. In support of his objection, the United States Trustee states the following:

1. Veblen West Dairy, LLC filed a petition for chapter 11 bankruptcy relief on April 7, 2010. Thomas M. Tobin was approved to serve as local counsel in that case by an Order entered April 30, 2010 (doc. 142).

2. On June 25, 2010, the Receiver for Veblen East Dairy LLP filed a Motion to Prohibit or Condition the Use, Sale or Lease of Property in the Veblen West LLP case (doc. 256). In this Motion, Veblen East, through its state court appointed receiver, seeks to prohibit Veblen West LLP from using feed from a feed pile because it alleges Veblen West has not paid for feed valued at \$364,246.00.

3. During testimony offered in the hearing on AgStar Financial Services' Motion For Appointment of Trustee, allegations of improper transfers of debt and resources between Veblen West, LLC, Veblen East, LLC and other related entities were made by AgStar. These allegations are reiterated in AgStar's Motion for Appointment of a Trustee herein (doc. 46, page 6).

4. 11 U.S.C. § 327(a) provides:

. . . . [T]he Trustee [or debtor in possession], with the court's approval, may employ one or more attorneys, accountants, . . . [who] do not hold or represent an interest adverse to the estate, and [who] are disinterested persons. . .

5. Mr. Tobin's representation of Veblen West Dairy LLP appears to constitute representation of an entity with an interest adverse to the estate of Veblen East Dairy, LLP.

WHEREFORE, the United States Trustee prays that the Application for Employment of Attorney be denied, and for such other relief as the Court deems proper.

HABBO G. FOKKENA
UNITED STATES TRUSTEE
Region 12

Dated: July 12, 2010

BY: /s/ BRUCE J. GERING
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